

ADDRESS OF THE RETIRING
PRESIDENT*

GEORGE BAEHR

AFTER three eventful years as your president, I retire from office with mixed feelings of satisfaction at being relieved of its time-consuming burdens and of pleasure that this signal honor will pass to a most worthy and distinguished Fellow of the Academy. The years that I have been privileged to serve have witnessed some of the most important events in the Academy's history.

The historical significance of the Centennial Celebration in the spring of 1947 was surpassed by the general appreciation of the Fellowship that this date marked the beginning of a new era in public service. Tribute was paid to the past performances of our predecessors in a volume by Dr. Philip Van Ingen which covers the history of the Academy during its first century. In the stirring spirit of the times, the Centennial Celebration was primarily devoted to special meetings of the twelve Sections of the Academy and its affiliated scientific societies and to four three-day Institutes on Medical Education, Public Health, Hospital Development and Social Medicine, in which distinguished experts from many parts of this country and abroad also participated. The proceedings of these Institutes will appear shortly in four volumes published by the Commonwealth Fund. They can be regarded as projecting the role of the Academy during its second century in a series of Blue Prints for the Future.

The year 1947 also saw the completion of a four-year study and the publication of a report on Medicine in the Changing Order in which the Academy, with the assistance of a joint lay and medical committee, squarely faced the future prospects of impending changes in medical practice and in the methods of paying for medical care and considered the implications of these events upon medical education, scientific research and the standards of medical care in this country. In this Report, the Academy recognized the need for changes and committed itself to

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constructive proposals designed to safeguard medical education and research and to develop effective patterns of medical service under prepayment plans, which would be adaptable in a variety of ways to the special needs of the different States and their political subdivisions and to rural as well as urban areas. For their assistance in formulating our position on the looming problems of medicine in the changing order, the Academy is especially grateful to Dr. Malcolm Goodridge, Mr. Leo Wolman, Mr. John W. Davis, Dr. Iago Galdston and the late Dr. James Alexander Miller; also to the Commonwealth Fund, Milbank Memorial Fund and the Josiah Macy, Jr. Foundation for financing the study, and to the Commonwealth Fund for publishing the Report and its accompanying eleven monographs which embody its basic factual material.

The Fellowship should know that your President served as your spokesman at Senate hearings in 1947 and 1948 upon the invitation of a Senate Committee on federal medical and health legislation and with the approval of the Council of the Academy. On these occasions I reported that the Academy, after long study and serious deliberation, had taken a definite stand in opposition to National Compulsory Medical Insurance at this time, although not because of any disagreement with its basic purpose of extending medical care by means of insurance. The Academy was convinced by the studies of its special committee that this objective could be attained in a much more efficient and decidedly less hazardous manner by means of federal assistance to the States and local areas in the form of grants-in-aid for the dual purposes 1) of developing adequate state and local programs of medical care meeting high standards and 2) of establishing prepayment plans which would support these programs. The Academy favors voluntary efforts at this time because of their greater flexibility and the opportunity they can provide for experimentation with newer methods of medical service under prepayment. It is convinced that the rapid extension of such programs to all the people awaits the enactment of the supporting federal and state legislation which it has in mind.

At this moment when such legislation is in preparation, the Academy considers it important to re-emphasize the pitfalls in an exclusively fee-for-service method of remunerating the participating physicians under any plan, voluntary or compulsory. Although there is no immediate substitute for this method of remunerating physicians, it is vitally im-

portant for the ultimate success of any prepayment plan that it encourage and support medical group practice, for it can advantageously accept payment on a per capita basis which is actuarially measurable and can serve as the yardstick for measuring the adequacy of medical care under a prepayment program, both qualitatively and quantitatively. It is also important to stress the necessity for comprehensive medical care (in contradistinction to limited coverage for catastrophic illnesses) as essential for the development of preventive medical services. It should be self-evident that government ought not to spend tax funds nor the people make their contributions for medical care exclusively for the diagnosis and treatment of the end results of disease, when preventive medicine is also purchasable.

I cannot refrain from restating these three elementary observations concerning payment for medical services, group practice and comprehensive medical care, for they have been ignored in recent federal bills for national compulsory medical insurance, as well as in most of the Blue Shield plans supported by organized medicine. Because of these deficiencies the Academy, while advocating voluntary medical insurance, recognizes the deficiencies of the present Blue Shield plans because of their limited scope as it does the extreme federal proposals for immediate universal coverage. Being motivated solely by the public's interest, it believes that the truth lies in between.

It is indeed regrettable that an opportunity was recently lost to put a national voluntary program of medical insurance into operation under a program sponsored jointly by the National Blue Cross and Blue Shield Associations. The proposed joint insurance plan had many defects but to my mind it had at least the merit of getting a national voluntary program established under responsible public, medical and hospital auspices which could be modified and expanded as required by local variations in medical and hospital benefits. Unilateral action by Blue Cross or Blue Shield is doomed to failure for it cannot stem the tide. If joint action by both associations is eventually consummated, the many community-sponsored, industry-sponsored and cooperative medical care plans which are in successful operation in all parts of the country cannot be ignored. Many have the support of the rapidly growing health and welfare funds of large industries and labor unions and unless they are taken into the fold and their beneficiaries provided with comprehensive medical care of satisfactory scope and quality by a national

voluntary agency or agencies, the pressure for federal compulsory medical insurance will continue unabated until such legislation is enacted.

In accordance with its tradition, the Academy should continue to abstain from activities concerned with so-called medical economics which are the responsibilities of State and county medical societies and of the American Medical Association. It cannot refrain, however, from devoting its most earnest consideration to the implications for medical practice and for medical education and research inherent in prepayment methods and changing patterns of medical service. In these fields, the Academy should be prepared to assist in giving direction to the tide which is sweeping us onward so that it may not engulf and destroy the medical institutions and services of the country in which we take justifiable pride. Upon the advice of the Council, a new Committee on Medicine in the Changing Order has recently been appointed which will study evolving patterns of medical care under prepayment plans and their effects upon preventive as well as curative medicine and upon education and research.

One of the most important events in the recent history of the Academy was the establishment within the past year of a twelfth Section devoted to Microbiology. Ten of the existing Sections are concerned with the various special branches of medicine and surgery and the eleventh with Historical and Cultural Medicine. The new Section on Microbiology has already attracted large numbers of workers in the fields of bacteriology, immunology, virology, parasitology and chemotherapy into the fellowship of the Academy and has therefore materially extended the scope of the Academy's activities into basic scientific research. Under the chairmanship of Dr. Gregory Schwartzman, and with the support of Drs. Frank Horsfall, Jr., Colin MacLeod, Rene Dubos, John G. Kidd, Ralph Muckenfuss and Harry Most, the Section has had many rewarding programs of original work during the past year, which have attracted the attention of scientists throughout the country. Abstracts of these proceedings are now printed regularly in the Bulletin of the Academy and the important papers read at three two-day symposia conducted by the Section during the last twelve months, will shortly be published by the Columbia University Press in a series of three volumes. I look forward with anticipation to the establishment of a similar scientific Section devoted to physiology, biochemistry and biophysics in the near future.

The completion of the Academy's first century required a re-evaluation of our physical, financial and professional abilities to carry our responsibilities forward into the future. The demands of the public upon our medical library, one of the largest in the world, and upon the Academy's services in medical education, public health and medical information have grown with the years. Since World War II salaries and other operating costs have increased about 78 per cent, whereas income from endowments has fallen in relation to the purchasing value of the dollar. The dues of the Fellows have been increased, yet the income from this source covers only one fourth of the Academy's normal budget. The remaining three fourths must be met each year out of interest from endowments, bequests, contributions and other sources. To avoid the deficits of recent years which were met out of a small and diminishing reserve, the Trustees took drastic measures in adopting last year's budget. Not only dues, but every other possible source of income was increased, the budgets for Medical Education, Public Health Relations and Medical Information were each slashed 20 per cent and the library was held to economies which would not affect its efficiency too seriously. In addition, the library was regrettably closed on Saturdays. These measures enabled us to end the year 1948 without a deficit. However, pride in this accomplishment is tinged by the knowledge that this was made possible largely because of the windfall of exceptionally large year-end dividends on equities, a good fortune which may not recur in 1949.

For the year 1949, the Trustees have been obliged to adopt a budget with an anticipated deficit of \$45,000, in spite of the continuance of previous economies including the 20 per cent cut in the budgets of the three Standing Committees. This situation is due to a cost-of-living wage increase of 10 per cent for employees and to other unavoidable increases in the operating expenses of the Library, such as the reopening of the Library on Saturdays, for which there has long been a well-justified clamor.

Although the basic financial structure of the Academy was never more secure than at the present moment, there are no funds in sight for the normal growth of the library without sacrificing all the Academy's other important public responsibilities. The dilemma has only one solution, more vigorous efforts by all fellows and lay friends of the Academy to increase its endowment by bequests and gifts of a mil-

lion dollars. This should not be too difficult of accomplishment for the Academy never held a higher place in public esteem than at this moment.

The library presents another problem which urgently requires solution. As I mentioned last year, its book stacks are filled to maximum capacity and a substantial addition to the stack building must be made promptly. A building fund of \$325,000, most of which was raised in recent years by Dr. Harold Mixsell's Steering Committee, now proves to be about half the amount required for this purpose. To my mind, this is the most urgent problem which my successor, Dr. Watson, will inherit. Its solution will not brook delay without adversely affecting the efficiency of library services in a most serious manner. It is possible that we shall shortly be able to announce a building program which will correct the existing deficiencies for many years to come, but it will require the combined efforts of the entire Fellowship for accomplishment.

The burdens of a president are lightened by the other officers of the Academy and the many devoted members of its staff, who labor faithfully throughout the years without sharing equally in his glory. I cannot mention them all, yet I cannot leave this office without commenting upon our good fortune in having Dr. Howard Craig as director. With extraordinary tact and wisdom, his day by day guidance of the many complex activities of the institution assures it a continuity of purpose despite changing officers and personnel. The Trustees have watched faithfully over the Academy's finances during these years, but the Fellowship owes a special debt of gratitude to the chairman of the Board, Dr. Orrin S. Wightman and to the Chairman of its Executive Committee, Dr. Shepard Krech for the constancy of their vigilance. In spite of the best banking advice in the City, we would not be in a strong position today if it were not for the time and thought which they gave daily to safeguarding our financial structure, aided by our competent comptroller, Mr. Arthur Eberle.

The loss of Dr. James Alexander Miller, past President of the Academy, as Chairman of the Committee on Public Health Relations leaves a void which cannot be filled. Rarely does a generation produce a physician and public benefactor with comparable attributes as a leader in public health and medicine. The work of this Committee is fortunately safeguarded by the fact that it can continue to lean on its able and distinguished Executive Secretary, Dr. E. H. L. Corwin who, like

Dr. Miller, has continuously served and guided the Committee since its establishment thirty-eight years ago.

The Committee on Medical Education has greatly broadened the scope of its activities under the chairmanship of Dr. Paul Reznikoff and with the devoted assistance of its Executive Secretary, Dr. Mahlon Ashford. In the work of this Committee I must single out for special mention Dr. Carl Eggers, Dr. Condict Cutler, Dr. Louis J. Soffer, Dr. Ross Golden, Dr. Frank Hanger and Dr. Alfred Angrist, who have been chiefly responsible for the success of the Graduate Fortnights, especially the last one on Recent Advances in Therapy. The next Graduate Fortnight will be on Recent Advances in Diagnostic Techniques.

As in previous years, the Committee on Medical Information has been guided by its chairman, Dr. Harold Mixsell with the assistance of Dr. Donald Armstrong as chairman of its Executive Committee and Dr. Iago Galdston as its able Executive Secretary. To them, to the 250 fellows who serve on the various Standing and Special Committees and to the staff of the Academy who do its daily work with loyalty and unflagging zeal, the entire Fellowship should be profoundly grateful.